

AMENDED IN SENATE JUNE 13, 2011

AMENDED IN ASSEMBLY MAY 2, 2011

AMENDED IN ASSEMBLY MARCH 22, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

## ASSEMBLY BILL

**No. 943**

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**Introduced by Assembly Member Williams**

February 18, 2011

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An act to amend Sections ~~22032~~ 22013, 22014, 22032, and 22034 of the Public Contract Code, relating to public contracts.

### LEGISLATIVE COUNSEL'S DIGEST

AB 943, as amended, Williams. Public contracts: *California Uniform Construction Cost Accounting Commission*: local contracts: alternative procedures.

*Under existing law, the California Uniform Construction Cost Accounting Commission is responsible for recommending, for adoption by the Controller, uniform construction cost accounting procedures for implementation by public agencies in the construction of public projects. Existing law requires the commission members to select a chairperson from among its membership to serve as chair for a term of one year from the date of selection.*

*This bill would extend the term of the chairperson to 2 years from the date of selection.*

*Under existing law, the members of the California Uniform Construction Cost Accounting Commission hold office for terms of 3 years. If there is a vacancy, the Controller is required, within 45 days after the expiration of any term, to appoint a replacement to fill the vacancy on the commission.*

*This bill would instead require the Controller to appoint a replacement within 90 days after the expiration of any term.*

Existing law governing public contracts establishes procedures that public agencies, as defined, are required to follow when performing public works projects. If public agencies voluntarily elect to become subject to uniform construction cost accounting procedures, projects of \$125,000 or less may be let by contract by informal procedures, and those worth more than ~~\$125,00~~ \$125,000 require formal bids, as specified. If all of the informal bids received are in excess of \$125,000, the governing board of the public agency may adopt a resolution, by a  $\frac{4}{5}$  vote, to award the contract at \$137,500 or less to the lowest responsible bidder.

This bill would increase the above limits from \$125,000 to \$175,000, and from \$137,500 to \$187,500, respectively.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     *SECTION 1. Section 22013 of the Public Contract Code is*  
2     *amended to read:*

3     22013. The commission members shall select a chairperson  
4     from among its membership. The chairperson shall serve as chair  
5     for a term of ~~one year~~ two years from the date of selection ~~or~~  
6     ~~February 1, whichever comes first.~~ In no event shall two  
7     consecutive chairpersons be appointees representing either the  
8     construction industry or public agencies.

9     *SEC. 2. Section 22014 of the Public Contract Code is amended*  
10    *to read:*

11    22014. (a) The members of the commission shall hold office  
12    for terms of three years, and until their successors are appointed,  
13    except as otherwise provided for in this section.

14    (b) In the case of members initially appointed by the Controller,  
15    two representing the construction industry and two representing  
16    public agencies shall be appointed to serve until July 1, 1985; two  
17    representing the construction industry and two representing public  
18    agencies shall be appointed to serve until July 1, 1986; and three  
19    representing the construction industry and three representing public  
20    agencies shall be appointed to serve until July 1, 1987.

1 (c) Members may be reappointed for subsequent terms of three  
2 years.

3 (d) The Controller shall, within ~~45~~ 90 days after the expiration  
4 of any term, appoint a replacement to fill the vacancy on the  
5 commission.

6 ~~SECTION 1.~~

7 *SEC. 3.* Section 22032 of the Public Contract Code is amended  
8 to read:

9 22032. (a) Public projects of thirty thousand dollars (\$30,000)  
10 or less may be performed by the employees of a public agency by  
11 force account, by negotiated contract, or by purchase order.

12 (b) Public projects of one hundred seventy-five thousand dollars  
13 (\$175,000) or less may be let to contract by informal procedures  
14 as set forth in this article.

15 (c) Public projects of more than one hundred seventy-five  
16 thousand dollars (\$175,000) shall, except as otherwise provided  
17 in this article, be let to contract by formal bidding procedure.

18 ~~SEC. 2.~~

19 *SEC. 4.* Section 22034 of the Public Contract Code is amended  
20 to read:

21 22034. Each public agency that elects to become subject to the  
22 uniform construction accounting procedures set forth in Article 2  
23 (commencing with Section 22010) shall enact an informal bidding  
24 ordinance to govern the selection of contractors to perform public  
25 projects pursuant to subdivision (b) of Section 22032. The  
26 ordinance shall include all of the following:

27 (a) The public agency shall maintain a list of qualified  
28 contractors, identified according to categories of work. Minimum  
29 criteria for development and maintenance of the contractors list  
30 shall be determined by the commission.

31 (b) All contractors on the list for the category of work being bid  
32 or all construction trade journals specified in Section 22036, or  
33 both all contractors on the list for the category of work being bid  
34 and all construction trade journals specified in Section 22036, shall  
35 be mailed a notice inviting informal bids unless the product or  
36 service is proprietary.

37 (c) All mailing of notices to contractors and construction trade  
38 journals pursuant to subdivision (b) shall be completed not less  
39 than 10 calendar days before bids are due.

1 (d) The notice inviting informal bids shall describe the project  
2 in general terms and how to obtain more detailed information about  
3 the project, and state the time and place for the submission of bids.

4 (e) The governing body of the public agency may delegate the  
5 authority to award informal contracts to the public works director,  
6 general manager, purchasing agent, or other appropriate person.

7 (f) If all bids received are in excess of one hundred seventy-five  
8 thousand dollars (\$175,000), the governing body of the public  
9 agency may, by adoption of a resolution by a four-fifths vote,  
10 award the contract, at one hundred eighty-seven thousand five  
11 hundred dollars (\$187,500) or less, to the lowest responsible bidder,  
12 if it determines the cost estimate of the public agency was  
13 reasonable.